GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:363
ANSWERED ON:18.08.2000
INCOME TAX ACT
SUBODH MOHITE;SURESH RAMRAO JADHAV (PATIL)

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to revamp Income Tax Act and a Committee has been set up for this purpose;

(b) if so, the details thereof;

(c) whether the Income Tax Department has decided that no new cases will be taken up for scrutiny during the current financial year;

(d) if so, the reasons therefor; and

(e) the number of cases pending with Income Tax Department under litigation?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (V. DHANANJAYA KUMAR)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION NO.363 TO BE ANSWERED ON 18T AUGUST, 2000 REGARDING INCOME TAX ACT BY SHRI SUBODH MOHITE AND SHRI SURESH RAMRAO JADHAV

(a) & (b) The Income-tax Act is constantly being reviewed by the Government and the necessary amendments are made through the Finance Acts and the Income-tax (Amendment) Acts. No Committee, as such, has been set up for revamping the Income-tax Act.

(c) & (d) CBDT has issued instruction to the effect that during the current financial year, selection of cases for scrutiny will be limited to only compulsory category of cases such as, search and seizure assessment, survey assessments, re-opened cases, set-aside cases, assessments in pursuance of the order of the Court and cases assessed in Central circles. Any other routine selection of cases for scrutiny by Assessing Officers has been kept in abeyance. However, in exceptional cases of high revenue potential, cases can be taken up for scrutiny with the prior approval of Chief Commissioner of Income tax. The Action Plan for the Department for the financial year 2000-2001 envisages collection of taxes and computerization as the top-most priority items of work for the year. It is in this context that the scrutiny work has been restricted to cases described here in above.

(e) 122308 appeals are pending with Income-tax Department before CIT (Appeals) as on 31.5.2000.